

# **EXHIBIT “M”**

EXHIBIT "M"

Page 1 of 1



BellSouth Telecommunications, Inc.  
Suite 4423  
575 West Peachtree Street, N.E.  
Atlanta, Georgia 30375

404 827-7140  
Fax 404 523-0346

Joseph M. Baker  
Vice President - Sales  
Interconnection Services

July 1, 1997

Mr. John Cascio  
Vice President  
Sprint  
555 Lake Border Drive  
Apopka, Florida 32703

Dear John:

On behalf of BellSouth, I would like to apologize for the recent service interruption experienced by Sprint and its local exchange customers. We value our relationship with Sprint as one of BellSouth's largest wholesale customers, and it is always our intention to provide you with service that meets your standard for customer satisfaction.

This service interruption, which occurred at 5:21pm EDT on June 24, 1997 in BellSouth's Magnolia Central Office, was caused by a work error in our RCMAG (Recent Change Memory Assignment Group), the group responsible for handling translation software. As you know, BellSouth has put into place action plans to help prevent the error from happening again. These plans include short term measures such as the requirement for supervisory approval in these situations. We are also investigating with our vendors long term measures that include enhancing the software involved. Additionally, we have made changes to our methods and procedures to reduce the likelihood of these outages.

Again, BellSouth regrets any inconvenience this service interruption caused Sprint and its customers. We are committed to work cooperatively with Sprint throughout the nine state region to provide the level of service expected by you and your customers.

Yours truly,



J. M. Baker

Copy: George Head, Vice President - National Market Integration, Sprint  
Carol Jarman, Sales Assistant Vice President - Sprint, BST  
Krista Tillman, Vice President - Operations, BST

# **EXHIBIT “N”**

## EXHIBIT "N"

Page 1 of 2



BellSouth Interconnection Services  
Suite 440  
Two Chase Corporate Drive  
Birmingham, Alabama 35244  
Fax 205 988-1888  
205 988-1700

Carol B. Jerman  
Sales Assistant Vice President  
Sprint Account Team

July 8, 1997

Ms. Melissa Cloz  
Director - Local Market Development  
Sprint  
151 Southhall Lane Suite 400B  
Maitland, FL 32751

Dear Melissa:

I would like to follow up and provide you with a more detailed description of the events that led to the outage in the Magnolia office on June 24. The situation originated when Magna Computer called BellSouth's Small Business Services Center on June 20 to convert their service from SMNI back to BellSouth. A BellSouth representative in that office issued a disconnect (D) and new (N) order to initiate that process.

Due to that disconnect order, the office equipment for Magna Computer's telephone number was reassigned to another customer when a subsequent order flowed through our systems. When that order was processed, the service for Magna Computer as well as the entire Simulated Facility Group (SFG) was manually deleted from the switch in error. This prevented all of the customers that utilized Service Provider Number Portability (SPNP) in the Orlando Magnolia LAESS Central Office from receiving incoming calls.

The duration of the outage was approximately 2.5 hours, and our time to repair after the trouble was reported to the UNE center was approximately one hour. The SFG was reprogrammed and the service re-established at 7:40 P.M.

## EXHIBIT "N"

Page 2 of 2

Ms. Melissa Cloz

Page 2

July 7, 1997

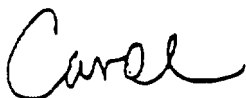
The following guidelines have been implemented to prevent future removal of SFGs in error:

1. Small Business Specialists have been retrained on the proper guidelines to use when issuing future orders.
2. On June 25, 1997, all employees in our Recent Change Memory Administration Group (RCMAG) were re-covered regarding the issues that encompass SFG usage for CLEC services in LAESS offices.
3. Effective immediately, all SFG removals must require written approval from a translations supervisor. Additionally, our staff is currently working with Lucent Technologies to provide a permanent solution which will prevent SFG removal without complex translations involvement and we will status you on that as soon as possible.

In addition to these measures, plans are also underway to reserve SFG numbers 1 through 9 exclusively for the CLEC community. We will notify you in advance of our plans to migrate SMNI to a specific SFG and will again cover our employees regarding our policy not to disconnect that range of SFGs in general and SMNI's in particular.

Let me reiterate that BellSouth regrets any inconvenience this service interruption caused. Further, we are working diligently to identify and implement corrective actions that involve not only our translations processes, but all service issues that ultimately affect Sprint and its end users customers as well.

Sincerely,



# **EXHIBIT “O”**

## EXHIBIT "O"

Page 1 of 2

### AFFIDAVIT

STATE OF FLORIDA       )  
                                  )  
COUNTY OF ORANGE     )

I, Bill Pickering based on information and belief, state and allege the following:

I am the President of First Summit Financial Group and National Sales Director for Jefferson-Pilot Life Insurance Company. Our offices are located at 800 North Magnolia Avenue, Suite 1310, Orlando, Florida. My company has 10 rotary lines, one fax line and one modem line. Telephone service is absolutely critical to my business. Every day we receive approximately 125 incoming calls and make about 80 outgoing calls.

In July 1996, my company was approached about switching its local telephone service from Southern Bell to Sprint. For a number of years our office was located in Maitland, Florida and we had been customers of United Telephone and had received good service from United. When they approached us about providing service in our current offices in downtown Orlando, I decided to try the Sprint service, although it was with some reluctance. Usually, if I am receiving good service, I am not inclined to change. The incentive here was if we changed, we could save \$150 per month. That's \$1800 per year. That's a significant reduction in overhead.

There were many delays in getting the service hooked up. I kept asking, "When is this change to Sprint going to happen?" It finally occurred in December 1996. Not too long after we made the switch we had a half day with no phone service. Of course, it was Murphy's Law. It was a very busy day and we got lots of complaints from agents and policy holders. We could call out, but no one could call in. You don't want your customers to think you're out playing golf. I told Marty Varsubsky, my associate, that we should go back to Southern Bell because when we were with Southern Bell we never had these problems. We just cannot afford to be out of service. Our Sprint sales rep, Danny Adams faxed over something from Southern Bell saying it was their fault, but I didn't really care whose fault it was, I just can't afford to be without phone service.

Danny Adams talked Marty into giving Sprint one more chance and we decided to hang in there, but after another outage I decided enough was enough. This one lasted two to three hours. I made the decision that we were going back to Southern Bell. We made the decision on Thursday and the changeover was to take place the following Monday.

That Monday, I left to go to the bank about 11:30 a.m. I called in to the office on my mobile phone and it rang 20-30 times. I finally called Turner Construction next door to have them go to our office to tell them our telephones were out. When I got back to the office, I could call out, but no one could call in. I called Southern Bell, and they said they would try to locate the technician who had done the work, because he was close by and could come back

## EXHIBIT "O"

Page 2 of 2

to fix our problem. The technician never showed, so I called again and they said they would try to page him. When I called the next time, they said they didn't know why the technician was unreachable. So I said, "I want to talk with his supervisor."

In the meantime, I also talked to Danny Adams at Sprint. He said all the Southern Bell technician had to do was to flip a switch so we could get incoming calls. Danny kept saying that we could figure out who to blame later, but in the meantime, the important thing was to enable us to receive incoming calls. I called every Southern Bell service number I could get a hold of. I talked to people in Jacksonville, Miami and Atlanta. I told them to do what Danny Adams suggested, but they would not do it. They were too busy blaming Sprint. Southern Bell had admitted that they had written the service order incorrectly, however, they still insisted the entire problem was Sprint's fault and they (Southern Bell) had done nothing incorrectly. Since Southern Bell would not flip the switch, I asked them if they could put a recording on the line that indicated there was "trouble on the line." Southern Bell said no, they would not put a recording on the line because again, it was all Sprint's fault. When I finally spoke with the supervisor at 5:30 p.m., he said we had caused the problem because the number we wanted was not our number and it had not been "aged long enough." I asked how this could be...our telephone number has been the same ever since we moved downtown more than two years ago. The supervisor also said they were new at the business of "reselling."

This was still going on at 5:30 p.m. By that time I was very angry and was actually somewhat rude and profane. But I was fed up with everyone lying and blaming someone else. I threatened to call one of the local TV stations and report this to their consumer action line.

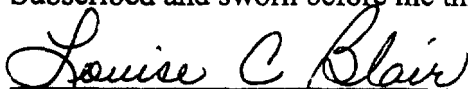
A few days later I received a visit from a guy from Southern Bell who flew down from Atlanta. He'd been with the company 35 years. He said Southern Bell had made mistakes and apologized, because this had been handled improperly at every step of the way. He told me this would be a case study for Southern Bell and told me he was prepared to offer me six months of free service...that's about worth about \$4,000 to me.

I'm not happy with Southern Bell, but as far as I am concerned they're the only game in town. I had no problems with Sprint except for the power outages, but I never had blackouts with Southern Bell, so that is why I went back. I just can't afford to be out of service.

Further affiant sayeth naught.

  
\_\_\_\_\_  
Bill Pickering

Subscribed and sworn before me this 8<sup>th</sup> day of October, 1997.

  
\_\_\_\_\_  
Notary Public

My Commission Expires on 6/16/2001



LOUISE C. BLAIR  
My Comm Exp. 6/16/2001  
Bonded By Service Ins  
No. CC656020  
☒ Personally Known ☐ Other I.D.



# **EXHIBIT “P”**

# EXHIBIT "P"

Page 1 of 1  
AFFIDAVIT

STATE OF FLORIDA       )  
                                  )  
COUNTY OF ORANGE     )

I, Sean Laney, based on information and belief, state and allege the following:

I am the club manager of the Citrus Club, which is a dining establishment located on the 18<sup>th</sup> floor of the Republic building in downtown Orlando. It is a membership dining facility patronized by the Orlando business community. We have very little "walk in traffic." Most of our business is by reservation. In addition we have a significant catering and private party business. We have 16 voice and two data lines. Our decision to switch from Southern Bell to SMNI was based on economics. The SMNI proposal was going to save us \$1,000 per year.

We switched to SMNI service in December 1996. The installation was very hairy. The Sprint crew was scheduled to come in on Saturday. That Friday at 4:00 p.m. the entire phone system went away. It completely disappeared. It finally came back at 8:00 p.m. Southern Bell had turned off everything a day early. We could not call out and customers who tried to call in got a recording that said, "This number has been disconnected." This was devastating to our business because Friday nights are a busy time for us and our customers could not call in for dinner reservations. It took until mid week to completely restore service.

Since then the exact same scenario has happened twice. With these two occurrences incoming callers would get an unending ring...as if you weren't answering your telephone. I know that both of these incidents were caused by problems at the Southern Bell location. The most recent incident was in July and the previous incident occurred in June. The July incident began the night before. I tried to dial out on the main line. I would attempt to dial out and then would put the line on hold to access the next line. We were down until lunchtime with both of these incidents. That is devastating to our business because our members cannot get through to call for reservations.

I've thought it might be easier to switch back. I'm frustrated. It seems that the people you pay your bill to should be accountable for the service you receive. It's frustrating because we are not paying our bill to Southern Bell and yet when they are the root cause of the problems, there is no sense of urgency with them to get it corrected because we don't pay them.

Further affiant sayeth naught.

  
Sean Laney

Subscribed and sworn before me this 1<sup>st</sup> day of October, 1997.

  
Notary Public



My Commission Expires  
February 24, 2000  
BONDED THRU TROY FAIR INSURANCE, INC.

# **EXHIBIT “Q”**

## EXHIBIT "Q"

Page 1 of 2

### AFFIDAVIT

STATE OF FLORIDA       )  
                                  )  
COUNTY OF ORANGE     )

State	_____	
File No.	_____	
Orders	<input type="checkbox"/>	
Corr.	<input type="checkbox"/>	<input type="checkbox"/>
Plead.	<input type="checkbox"/>	<input type="checkbox"/>
Disc.	<input type="checkbox"/>	<input type="checkbox"/>
Test.	<input type="checkbox"/>	<input type="checkbox"/>
Brief	<input type="checkbox"/>	<input type="checkbox"/>
Other	<input type="checkbox"/>	<input type="checkbox"/>

DATE RECEIVED

OCT 7 '97

I, Rocky Santomissino, based on information and belief, state and allege the following:

I am the vice president and secretary-treasurer of J. Rolfe Davis Insurance, with principal offices located at 11 South Bumby Avenue, Orlando, Florida. We are a large independent insurance agency located in downtown Orlando. We had been using Vista-United (Disney) for our telephone equipment maintenance and had been happy with the service they provided. In addition, United had been our local telephone service provider in our Longwood office and we'd always been happy with them, so it seemed natural to switch to someone we knew, with whom we'd had a previous good business relationship. Our telephone service consists of a total of 43 lines; 18 business (B1) lines, 20 flat-rate combination PBX trunks in three rotary groups, five Direct Inward Dial ("DID") PBX trunks and 20 DID numbers. Our decision to switch to SMNI was purely economic. We are bottom line oriented, and with SMNI's proposal we were going to save \$1,000 per month or \$12,000 per year.

We began talking to SMNI in February of this year. The actual switch to SMNI took about 90 days to occur. As I look back in my planner, I note an entry on March 12 and see an entry "Sprint switchover?" The switchover began on Saturday, March 15 and was completed on Saturday, March 29, 1997. However, on Monday, April 1, when our main number, 896-0550 was dialed, our customers heard a BellSouth recording stating, "This number has been disconnected." We have 7,000 clients and receive 700-800 calls a day. Clearly this type of recording is totally unacceptable. In addition, some of the lines were completely dead or had a constant busy signal. We continued to experience a lot of problems throughout the month of April.

In August we had another bad experience when we tried to set up a satellite office. We had acquired another agency of 11 people and needed to move staff out of their existing offices to a new location several blocks south of our main office, before we could bring the acquired employees into the main office. We signed the contract for telephone services in late July, and we wanted the new facility up and running by September 1. I didn't want the employees associated with the move to relocate until the telephone service was up and working. The phone service was scheduled to go in on August 22. On August 21, the day before the cutover was to occur, a BellSouth employee either mailed or delivered schematic drawings to the office manager at the satellite office indicating BellSouth's cable facilities at the new location would not support the services requested. I was very displeased. The office manager had nothing to do with the telephone decisions. And it's my understanding that BellSouth should have been dealing

## EXHIBIT "Q"


Page 2 of 2

directly with SMNI, not us and certainly not with an office manager who had nothing to do with the telephone service. The installation of telephone services at the new location was completed the week of September 1, 1997. We continued to have numerous problems with the DID lines, tie lines, etc. for almost two weeks after the installation date.

Finally on September 5, SMNI was supposed to contact BellSouth to have them forward calls on both the main line, 894-7024, and the fax line, 894-7027, from the acquired agency to J. Rolfe Davis' offices effective at 5:00 p.m. on Friday, September 12. BellSouth disconnected the lines at 5:00 a.m., not 5:00 p.m., as we had requested. The calls to the fax line were not forwarded all weekend, because I kept checking and I would get a recording, "The number you are calling may not be connected."

I'm not mad at Sprint. I think we are the victims of circumstance. I personally am a fanatic for organization and detail. I pride myself on doing things flawlessly. The decision to switch local telephone companies has cost me credibility within my company because of all of the problems we have experienced. I've had to deal with numerous client complaints, employee concerns and complaints, and the unhappiness and frustrations of our board of directors, including our president. Due to these numerous problems, my position these last seven months has been pure hell. Based on my experience, the only way I would switch again is if it could happen quickly and painlessly. I am convinced that BellSouth is trying to sabotage SMNI's efforts to enter its markets. However, as a customer I am caught in the crossfire.

Further affiant sayeth naught.

  
Rocky Santomassino

Subscribed and sworn before me this 2nd day of October, 1997.

  
Cynthia L. Holt

Notary Public



CYNTHIA L. HOLT  
My Commission CC493565  
Expires Sep. 06, 1999

My appointment expires on 9-6-99.

# **EXHIBIT “R”**

# EXHIBIT "R"

Page 1 of 1

## AFFIDAVIT

STATE OF FLORIDA     )  
                                  )  
COUNTY OF ORANGE    )

State \_\_\_\_\_

File No. \_\_\_\_\_

Orders	<input type="checkbox"/>	
	Sprint	O.P.
Corr.	<input type="checkbox"/>	<input type="checkbox"/>
Plead.	<input type="checkbox"/>	<input type="checkbox"/>
Disc.	<input type="checkbox"/>	<input type="checkbox"/>
Test.	<input type="checkbox"/>	<input type="checkbox"/>
Brief	<input type="checkbox"/>	<input type="checkbox"/>
Other	<input type="checkbox"/>	<input type="checkbox"/>

DATE RECEIVED

I, George Pegram, based on information and belief, state and allege the following: OCT 7 '97

I am the general manager for the Collegiate Village Inn, located at 11850 University Boulevard, Orlando, Florida. The Collegiate Village Inn is a private dormitory facility located west of the University of Central Florida campus. We have 307 rooms with two students in each room.

I was first approached by Danny Adams of SMNI in February about switching my local telephone service from BellSouth to SMNI. I was eager to do so. We are the only dormitory in the state that is paying the hotel rate of 0.12 - 0.15 cents per call for calls above the monthly maximum, which we routinely exceed. SMNI offered us a flat rate, which is what we've wanted for years.

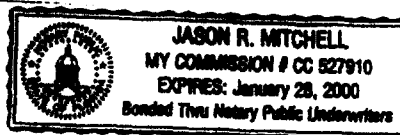
The switch to SMNI was originally scheduled during spring break in March of this year. The switch was delayed several times due to problems with the engineering. SMNI stated their engineering was complete, however, BellSouth couldn't get their act together. I even got so fed up I called the Florida Public Service Commission to complain. The switch finally happened in mid-May.

Further affiant sayeth naught.

  
George Pegram

Subscribed and sworn before me this 6<sup>th</sup> day of October, 1997.

  
Notary Public



My appointment expires on 1/28/2000

# **EXHIBIT “S”**



# EXHIBIT "S"

Page 1 of 2



Jerry M. Johns  
Vice President-Law &  
External Relations

Southern Operations  
Box 165000  
Altamonte Springs, Florida 32716-5000  
Voice 407 889 6016  
Fax 407 889 1211

September 30, 1997

Mr. Tommy Williams  
Division of Communications  
Florida Public Service Commission  
2540 Shumard Oak Blvd.  
Tallahassee, Florida 32399

File No. \_\_\_\_\_  
Orders ☐ Sprint ☐ O.P.  
Corr. ☐  
Plead. ☐  
Disc. ☐  
Test. ☐  
Brief ☐  
Other ☐

DATE RECEIVED

OCT 3 '97

Re: Transfer of Certificate No. 4390 Held by Sprint Metropolitan Networks, Inc., to Sprint Communications Company L.P.

Dear Mr. Williams:

Sprint Metropolitan Networks, Incorporated ("SMNI") requests that the Florida Public Service Commission approve the transfer of Alternative Local Exchange Company ("ALEC") Certificate No. 4390 to Sprint Communications Company L.P.. ("Sprint"). Sprint currently holds ALEC Certificate No. 4732. SMNI and Sprint intend to consolidate Sprint Corporation's provision of ALEC operations in Florida and to operate under the Sprint name. Immediately following the effective date of the transfer and Sprint's assumption of SMNI's operations, Certificate No. 4390 may be canceled. Continuing service to SMNI's customers will be provided under Sprint's Certificate No. 4732.

Management has determined that these affiliated ALEC operations can be more effectively and efficiently carried out under one name and by a consolidated organization. Such consolidation will result in a more effective competitive provision of ALEC services which will thereby serve the public interest. Furthermore, provision of ALEC service by affiliates under one name will assist the Commission in gauging the true number of competitive providers of ALEC service.

Sprint commits that all obligations of SMNI to its customers will continue to be honored. Sprint will maintain one price list with the commission for the merged entity. None of the prices charged to current SMNI customers will be changed because of the transfer.

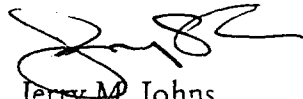
**EXHIBIT "S"**

Mr. Tommy Williams  
Page 2

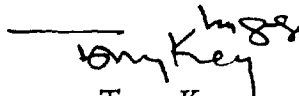
Page 2 of 2

SMNI and Sprint understand that pursuant to Rule 25-25.815 (5), F.A.C., this letter notification becomes effective upon filing. Should you have any question, please do not hesitate to contact Charles Rehwinkel at (850) 847-0244.

Respectfully submitted,



Jerry M. Johns  
On behalf of Sprint Metropolitan  
Networks, Inc.



Tony Key  
On behalf of Sprint Communications  
Company L.P.



## **AN ANALYSIS OF BELL SOUTH'S PROJECTIONS OF COMPETITIVE BENEFITS AND CONSUMER WELFARE**

Marybeth M. Banks  
Director, Federal Regulatory Affairs  
Sprint Communications Company L.P.

### **I. INTRODUCTION.**

The Commission has expressed its expectation that "BOCs entering the long distance market will compete vigorously for all segments of the market, including low volume long distance customers."<sup>1</sup> In order to demonstrate that its entry will meet this expectation, BellSouth submitted affidavits by Jerry Hausman, Richard Schmalensee and WEFA, among others, and its proposed South Carolina intrastate long distance tariff. The information presented by BellSouth fails to demonstrate that it will, in fact, compete vigorously for the low volume residential market segment; and its estimated consumer benefits, which are based on flawed assumptions, are wildly optimistic.

BellSouth's affiants have an overly narrow view of the long distance industry. Their analyses focus almost exclusively on AT&T, as if the hundreds of other competitors

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<sup>1</sup> Memorandum Opinion and Order, *Application of Ameritech Michigan Pursuant to Section 271 of the Communications Act of 1934, as Amended, to Provide In-Region, InterLATA Service in Michigan*, CC Docket No. 97-137, FCC No. 97-298 (released August 19, 1997) ("Michigan Order"), at para. 16.

in the marketplace and their products were nonexistent. The affiants also restrict their analyses to the residential long distance market, thereby avoiding evidence of the fierce competition in the business market that would not support their findings. Such findings are similarly not supported by BellSouth's proposed tariff which offers intrastate rates higher than those already available in the market. Analytical errors and omissions in BellSouth's submissions are discussed below.

**II. BELLSOUTH'S PROPOSED INTERLATA RATES ARE HIGHER THAN SPRINT SENSE RATES.**

If BellSouth is to "compete vigorously," its products and rates must be competitive with those already in the market. Indeed, given the discussion by Schmalensee that interexchange rates are above costs (at 10-12) and by Hausman that the BOCs have an incentive to lower prices (at 7-9), one would expect BellSouth to propose rates that are significantly below those currently offered by long distance carriers. This is not the case.

BellSouth is proposing a single residential MTS service and a single business product, both of which have a mileage-based rate structure. South Carolina P.S.C. Tariff No. 1, Original Pages 35 and 36. BellSouth claims that the SCPSC found that its initial basic rates are "at least 5% lower than corresponding rates of the largest interexchange carrier." BellSouth at 78, quoting Compliance Order at 6.

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Sprint's analysis of BellSouth's proposed rates indicates that the rates are about 5% below Sprint's mileage-based MTS product. However, the majority of Sprint's residential customers subscribe to Sprint Sense, its flat-rated product which offers intrastate a peak rate of \$0.25 from 7am to 7pm, and off-peak rate of \$0.15 from 7pm to 7am. As shown in Table 1 below, the Sprint Sense rates average 14.4 percent below BellSouth's proposed MTS rates.

Table 1.

	<u>BellSouth MTS Composite</u>	<u>Sprint MTS Composite</u>	<u>Sprint Sense</u>
Day	\$0.2626	\$0.2765	\$0.2500
Evening	\$0.2000	\$0.2105	\$0.1500
Night/ Weekend	\$0.1795	\$0.1889	\$0.1500
Overall	\$0.2112	\$0.2223	\$0.1808
Difference		+ \$0.0111	- \$0.0314
%Difference		+ 4.99%	- 14.4%

In the competitive long distance marketplace, Sprint and other carriers are continuously introducing new products and promotions to meet customers' needs. In contrast, BellSouth is proposing only one product for the business and residential market. Further, the proposed rates are inconsistent with the conclusions of its economists, who predict lower prices. Thus, this primary piece of evidence,

BellSouth's proposed tariff, belies the conclusions of its affiants.<sup>2</sup>

**III. HAUSMAN RELIES ON A COMPARISON OF A SMALL SAMPLE OF SNET'S AND AT&T RESIDENTIAL RATES TO DEVELOP AN ESTIMATE OF THE LOWER RATES RBOCs WILL OFFER AND OF THE NATIONAL IMPACT ON CONSUMER WELFARE.**

Hausman concludes that entry of the RBOCs into the long distance market will lead to price decreases between 17 and 18 percent and to benefits for residential customers in the range of \$6 to \$7 billion per year. As explained below, Hausman's reliance on some of AT&T's highest priced products and misinformation about SNET's rates produce biased results.

To reach his conclusions, Hausman draws on the experience of other LECs offering in-region long distance service. He claims that SNET, which is allowed to provide

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<sup>2</sup> BellSouth's tariff states that "[i]f notice from Customer of a dispute as to charges is not received in writing by Company within thirty (30) days after delivery of an invoice to the custody of the U.S. Mail or other standard delivery service, the billing will be considered correct and binding." BellSouth Long Distance, Inc. South Carolina P.S.C. Tariff No. 1, Original Page 20. This requirement is a clear violation of Section 415(c) of the Communications Act, 47 U.S.C. §415(c), which provides up to two years to present a claim: "For recovery of overcharges action at law shall be begun or complaint filed with the Commission against carriers within two years from the time the cause of action accrues, and not after, ...except that if claim for the overcharge has been presented in writing to the carrier within the two-year period of limitation said period shall be extended to include two years from the time notice in writing is given by the carrier to the claimant of disallowance of the claim, or any part or parts thereof, specified in the notice."



interLATA long distance service, has "offered attractive price plans" and as a result, "is reported to have gained about 35%-40% share of long distance business in Connecticut..." Hausman at 10. Hausman estimates that SNET's interstate prices were 24.0% below AT&T's for customers who do not qualify for an AT&T discount plan, and 10.6% for those that do. Hausman at 11. If the analysis had been based on Sprint's most popular product, Sprint Sense, the result would have been far different.

SNET's average interstate MTS rates (SNET America, Inc., Tariff F.C.C. No. 3, Original page 37) are substantially higher than Sprint Sense interstate rates of \$0.25 peak and \$0.10 off-peak. Assuming that 75 percent of the long distance residential calls are placed during the off-peak hours and using the higher difference in rates of \$0.03 for the peak hours, the average Sprint Sense discount off SNET's MTS rates is 27 percent.<sup>3</sup>

Table 2.

	<u>Peak</u>	<u>Off-Peak</u>
SNET - Northeast	\$0.22	\$0.13
SNET - National	\$0.24	\$0.13
Sprint Sense	\$0.25	\$0.10
Difference	\$0.02-\$0.03	(\$0.03)
% Difference	12%	-30%
Avg. % Difference	-27%	

<sup>3</sup>  $(30\% \cdot .75) + (-12\% \cdot .25) = 27\%$ . Because SNET offers a discount (of 5 percent) only to high volume customers with usage in excess of \$50, this discount was not included in the analysis.